

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

BLUE CROSS BLUE SHIELD OF
MICHIGAN, and BLUE CARE
NETWORK OF MICHIGAN,

Plaintiffs,

Case No.
Hon.

v.

[state court Case No. 2019-012505-CB,
Wayne County Circuit Court]

ENDO PHARMACEUTICALS INC.,
TEIKOKU PHARMA USA, INC.,
TEIKOKU SEIYAKU CO., LTD.,
ALLERGAN PLC f/k/a ACTAVIS PLC,
WATSON PHARMACEUTICALS,
INC.,
and WATSON LABORATORIES, INC.,

Defendants.

**NOTICE OF REMOVAL TO THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN, SOUTHERN DIVISION**

PLEASE TAKE NOTICE that pursuant to 28 U.S.C. §§ 1332, 1441, and 1446, Defendants Endo Pharmaceuticals Inc. (“Endo”) and Teikoku Pharma USA, Inc. (“TPU”) (“Defendants”), by their undersigned counsel, hereby remove the action entitled *Blue Cross Blue Shield of Michigan, et al. v. Endo Pharmaceuticals Inc., et al.*, Case Number 19-012505-CB, in the Third Judicial Circuit Court, Wayne County, Michigan, to the United States District Court for the Eastern District of Michigan, Southern Division, and in support thereof file this notice of removal for the following reasons:

1. Plaintiffs commenced an action by filing a Civil Action Complaint (“Complaint”) against TPU and Teikoku Seiyaku Co., Ltd. (“TSC”) (together, “Teikoku”); Watson Pharmaceuticals, Inc., Watson Laboratories, Inc., and Allergan plc f/k/a Actavis plc (together, “Watson”); and Endo (collectively, “Defendants”) in the Third Judicial Circuit Court, Wayne County, Michigan entitled *Blue Cross Blue Shield of Michigan, et al. v. Endo Pharmaceuticals Inc., et al.*, Case Number 19-012505-CB, assigned to Judge Lita M. Popke.

2. In the Complaint, Plaintiffs assert three theories of recovery: per se violation of Michigan’s Antitrust Reform Act (“MARA”) (Count I), violation of MARA (Count II), and unjust enrichment (Count III).

3. Defendant Endo was served on September 30, 2019, with the attached Summons, Complaint, and Verification of Business Court Eligibility and Notice of Assignment (Exhibit A).

4. As of the date of this filing, Defendants Watson and TSC have not yet received service of the Complaint.

5. Defendant TPU was served on October 3, 2019 with the attached Summons, Complaint, and Verification of Business Court Eligibility and Notice of Assignment (Exhibit B).

6. The Third Judicial Circuit Court of Wayne County, Michigan is located within the United States District Court for the Eastern District of Michigan, *see* 28 U.S.C. § 102(a), and venue for this action is proper in this Court because this federal court is the “district and division embracing the place where such action is pending.” 28 U.S.C. § 1441(a).

7. This Notice of Removal is being filed within 30 days after the receipt of Plaintiffs’ Complaint by those Defendants who have been served as required by 28 U.S.C. § 1446(b)(2)(B) and is timely.

8. In accordance with 28 U.S.C. § 1446(b)(2)(A), Defendant Watson consents to the removal of this matter. *See* Exhibit C, Defendant Watson’s Notice of Consent.

9. This Court has diversity jurisdiction pursuant to 28 U.S.C. § 1332(a) because there is complete diversity between Plaintiffs and Defendants and the amount in controversy exceeds \$75,000, exclusive of interest and costs. *See* 28 U.S.C. § 1441(a), (b)(2).

10. Plaintiffs alleged as follows regarding the citizenship of the parties to this action:

- a. “Plaintiff BCBS Michigan is a nonprofit, mutual health care company organized and existing under the law of Michigan, with its principal place of business at 600 East Lafayette Boulevard, Detroit, MI, 48226.” Exhibit A, Complaint ¶ 7.
- b. “Plaintiff BCN, a wholly-owned subsidiary of BCBS Michigan, is a nonprofit health maintenance organization (“HMO”), organized and existing under the law of Michigan, with its principal place of business at 600 East Lafayette Boulevard, Detroit, MI, 48226.” *Id.* ¶ 8.
- c. “Endo is a Delaware corporation with its principal place of business at 1400 Atwater Drive, Malvern, Pennsylvania, 19355.” *Id.* ¶ 11.
- d. “Teikoku Seiyaku is a company organized and existing under the laws of Japan, with its principal place of business in Higashikagawa, Kagawa, Japan.” *Id.* ¶ 12.
- e. “Teikoku Pharma, USA, is a California company, with its principal place of business at 1718 Ringwood Avenue, San Jose, California, 95131.” *Id.* ¶ 13.
- f. “Allergan plc is incorporated under the laws of Ireland, with its principal place of business at Clonshaugh Business and Technology Park, Coolock, Dublin, D17 E400, Ireland.” *Id.* ¶ 14.

- g. “Defendant Watson Pharmaceuticals, Inc. was a Nevada corporation with its principal place of business at 311 Bonnie Circle, Corona, California 92880.” *Id.* ¶ 15.
- h. “Defendant Watson Laboratories, Inc. is a Nevada corporation, having its principal place of business at Morris Corporate Center III, 400 Interpace Parkway, Parsippany, New Jersey 07054.” *Id.*

Complete diversity of citizenship exists between Plaintiffs and Defendants. 28

U.S.C. § 1332(a).

11. In addition, it is clear on the face of the Complaint that the amount in controversy exceeds \$75,000. Plaintiffs allege that “the amount in controversy exceeds \$25,000.00” and that “[d]uring the Relevant Period BCBSM purchased at least \$11.5 million of branded and generic Lidoderm, a *substantial portion* of which was attributable to the supra-competitive pricing of the drug.” Exhibit A, Complaint ¶¶ 18, 118 (emphasis added). A “substantial portion” of \$11.5 million clearly exceeds \$75,000, which is only 0.7% of \$11.5 million. Accordingly, Plaintiffs allegations demonstrate that the amount in controversy exceeds \$75,000 under 28 U.S.C. § 1332(a).

12. Pursuant to 28 U.S.C. § 1446(d), a copy of this Notice of Removal is being served upon counsel for Plaintiffs and a copy is being filed with the Clerk of the Third Judicial Circuit Court of Wayne County, Michigan.

In sum, removal is proper because there is complete diversity between Plaintiffs and Defendants, the amount in controversy exceeds \$75,000, and all

Defendants consent to the removal of this action. As such, Defendants give notice that the matter captioned *Blue Cross Blue Shield of Michigan, et al. v. Endo Pharmaceuticals Inc., et al.*, Case Number 19-012505-CB, in the Third Judicial Circuit Court of Wayne County, Michigan, is hereby removed to this Court pursuant to 28 U.S.C. §§ 1332, 1441, and 1446.

Respectfully Submitted,

Dated: October 28, 2019

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CERTIFICATE OF SERVICE

I hereby certify that on October 28, 2019, I electronically filed the foregoing *Notice of Removal* with the Clerk of the Court using the ECF system, which will send notification to all counsel of record. In addition, I have served a copy of the foregoing via U.S. Mail to Plaintiffs' counsel of record at the following address:

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A copy of the same filing also was filed with the Wayne County Circuit Court via its electronic filing system.

Dated: October 28, 2019

/s/ Leah R. Imbrogno
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